

Mr. Jack Williams
Phillips Pipe Line Company
362 Adams Building
Bartlesville, Oklahoma 74004

Re: 089-11264
First Significant Permit Modification to
Part 70 No.: T 089-7520-00326

Dear Mr. Williams:

Phillips Pipe Line Company was issued a permit on June 12, 1998, for a bulk liquid fuel storage and transfer terminal. A letter requesting changes to this permit was received on August 16, 1999. Pursuant to the provisions of 326 IAC 2-7-12 significant permit modification to this permit is hereby approved as described in the attached Technical Support Document.

Condition D.3.1 (Hazardous Air Pollutants) on Page 38 of the permit shall be revised as follows to clarify the applicable limiting and reporting requirements for the waste water treatment system (bold emphasis added to new language):

D.3.1 Hazardous Air Pollutants (HAPs) [40 CFR 63.420]

The Permittee shall:

- (a) Limit the wastewater handled and treated to 31.1 millions gallons per twelve (12) month period, rolled on a monthly basis.
- (b) This requirement, in conjunction with the limit established in Conditions D.1.2 and D.2.3 shall limit the source wide total of the worst case single HAP to 7.0 tons, and total HAPs to 24 tons, per twelve (12) month period, rolled on a monthly basis. Therefore, the requirements of 40 CFR Part 63.420, Subpart R, National Emission Standards for Gasoline Terminals and Pipeline Breakout Stations, do not apply.
- (c) **The requirements from Construction Permit No. 089-3525-00326, issued June 21, 1994, and revised on July 28, 1994, Condition Nos. 6 and 7, that establish a throughput limit of 70,900,000 gallons per year with associated record keeping and reporting provisions are not applicable because the throughput limit established in this condition (D.3.1) and the provisions in Conditions D.3.3 and D.3.4 satisfy the requirements of the Construction Permit conditions. Thus, Condition Nos. 6 and 7 of CP 089-3525-00326 are hereby rescinded.**

All other conditions of the permit shall remain unchanged and in effect. Please attach a copy of this modification and the following revised permit pages to the front of the original permit.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5.
If you have any questions on this matter, please contact Janusz Johnson, OAM, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015, or call at (800) 451-6027, press 0 and ask for extension (2-8325), or dial (317) 232-8325.

Sincerely,

Paul Dubenetzky, Chief
Permits Branch
Office of Air Management

Attachments

JKJ

cc: File - Lake County
U.S. EPA, Region V
Lake County Health Department
NWRO
Air Compliance Section Inspector - Rick Massoels
Compliance Data Section - Karen Nowak
Administrative and Development - Janet Mobley
Technical Support and Modeling - Michele Boner

PART 70 OPERATING PERMIT and ENHANCED NEW SOURCE REVIEW OFFICE OF AIR MANAGEMENT

**Phillips Pipe Line Company
400 East Columbus Drive
East Chicago, Indiana 46132**

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 and 326 IAC 2-1-3.2 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: T089-7520-00326	
Issued by: Felicia R. George, Assistant Commissioner Office of Air Management	Issuance Date: June 12, 1998
First Significant Permit Modification: 089-11264	Page Affected: 38
Issued by: Paul Dubenetzky, Branch Chief Office of Air Management	Issuance Date:

SECTION D.3

FACILITY OPERATION CONDITIONS

- (bb) A wastewater handling and treatment system, capable of treating 420,000 gallons of contaminated water per hour, including the following activities:
- (1) Five (5) sumps for wastewater from tank water draw and roof drains;
 - (2) One (1) sump for wastewater from loading rack;
 - (3) One (1) 8,946 gallon internal floating roof waste water/gasoline storage tank, identified as T-103, constructed in 1939;
 - (4) One (1) oil/water separator, identified as Separator No. 1, with a capacity of 1,800 gallons per hour; and
 - (5) One (1) air stripper capable of processing 9,000 gallon of water per hour.

Emission Limitations and Standards [326 IAC 2-8-4(1)]

D.3.1 Hazardous Air Pollutants (HAPs) [40 CFR 63.420]

The Permittee shall:

- (a) Limit the wastewater handled and treated to 31.1 millions gallons per twelve (12) month period, rolled on a monthly basis.
- (b) This requirement, in conjunction with the limit established in Conditions D.1.2 and D.2.3 shall limit the source wide total of the worst case single HAP to 7.0 tons, and total HAPs to 24 tons, per twelve (12) month period, rolled on a monthly basis. Therefore, the requirements of 40 CFR Part 63.420, Subpart R, National Emission Standards for Gasoline Terminals and Pipeline Breakout Stations, do not apply.
- (c) The requirements from Construction Permit No. 089-3525-00326, issued June 21, 1994, and revised on July 28, 1994, Condition Nos. 6 and 7, that establish a throughput limit of 70,900,000 gallons per year with associated record keeping and reporting provisions are not applicable because the throughput limit established in this condition (D.3.1) and the provisions in Conditions D.3.3 and D.3.4 satisfy the requirements of the Construction Permit conditions. Thus, Condition Nos. 6 and 7 of CP 089-3525-00326 are hereby rescinded.

Compliance Determination Requirements

D.3.2 Testing Requirements [326 IAC 2-8-5(1)]

Testing of this facility is not required by this permit. However, if testing is required, compliance with the VOC and HAP limits specified in Condition D.3.1 shall be determined by a performance test conducted in accordance with Section C - Performance Testing. This does not preclude testing requirements on this facility under 326 IAC 2-8-4 and 326 IAC 2-8-5.

Record Keeping and Reporting Requirements [326 IAC 2-8-4(3)] [326 IAC 2-8-16]

D.3.3 Record Keeping Requirements

- (a) To document compliance with Condition D.3.1, the Permittee shall maintain records of the actual monthly throughput wastewater handled and treated;
- (b) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.3.4 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.3.1 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported.

Indiana Department of Environmental Management Office of Air Management

Technical Support Document (TSD) for a Significant Permit Modification to a Part 70 Operating Permit

Source Background and Description

Source Name:	Phillips Pipe Line Company
Source Location:	400 East Columbus Drive, East Chicago, IN 46132
County:	Lake
SIC Code:	5171
Operation Permit No.:	T089-7520-00326
Operation Permit Issuance Date:	June 12, 1998
Permit Modification No.:	089-11264
Permit Reviewer:	Janusz Johnson

The Office of Air Management (OAM) has reviewed a modification application from Phillips Pipe Line Company relating to the operation of the waste water treatment system at the bulk liquid fuel storage and transfer terminal.

History

On June 12, 1998, Phillips Pipe Line Company was issued a Part 70 Permit for a bulk liquid fuel storage and transfer terminal. One of the facilities covered by the Part 70 Permit was a waste water treatment system that had previously been permitted under Construction Permit No. 089-3525-00326 issued on June 21, 1994, and revised on July 28, 1994. During the Part 70 Permit review process, a water throughput limit for the waste water treatment system was established which was more restrictive than the throughput limits outlined in the Construction Permit (CP) and CP revision. On August 16, 1999, Phillips Pipe Line Company submitted a request to clarify if the monitoring requirements of the CP are still valid and if quarterly reporting required by the CP should still be submitted given the Part 70 Permit record keeping and reporting requirements cover essentially the same data.

Determination

Condition Nos. 6 and 7 of the Construction Permit No. 089-3525-00326, as revised in a letter dated July 28, 1994, limit the throughput of the waste water treatment system to 70,900,000 gallons per year, based on a 365 day rolling average, and require record keeping and quarterly reporting to demonstrate compliance. Condition D.3.1 of the Part 70 Operating Permit (T089-7520-00326), issued on June 12, 1998, limits the throughput of the waste water treatment system to 31.1 million gallons per twelve month period, rolled on a monthly basis. Because the limiting condition in the Part 70 Permit is more restrictive than the limiting condition in the Construction Permit, compliance with the Part 70 Permit limit satisfies the intent of the Construction Permit limit and is adequate to demonstrate compliance. Conditions D.3.3 and D.3.4 of the Part 70 Permit require record keeping and quarterly reporting equivalent to Condition No. 7 of the Construction Permit such that reports submitted under the Part 70 Permit are adequate to demonstrate compliance with the intent of the reporting condition of the Construction permit. Therefore, the OAM will revise Condition D.3.1 of the Part 70 Permit to note that the requirements of Condition Nos. 6 and 7 of CP 089-3525-00326 are no longer applicable and that the conditions are thereby rescinded. These changes are detailed in the Significant Permit Modification cover letter.

Recommendation

The staff recommends to the Commissioner that the Significant Permit Modification be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on August 16, 1999.

Conclusion

The operation of the waste water treatment system shall be subject to the conditions of the attached proposed **Significant Permit Modification No. 089-11264-00326**.